

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE BILL

## No. 2167

Session of  
2008

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INTRODUCED BY WILLIAMS, PETRONE, BLACKWELL, GODSHALL, MAHONEY,  
M. O'BRIEN, PARKER, YOUNGBLOOD AND JAMES, JANUARY 17, 2008

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AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,  
AS AMENDED, JUNE 16, 2008

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## AN ACT

1 Amending the act of December 21, 1998 (P.L.1307, No.174),  
2 entitled "An act relating to cities of the first class,  
3 establishing Neighborhood Improvement Districts; conferring  
4 powers and duties on municipal corporations and Neighborhood  
5 Improvement Districts; and providing for annual audits and  
6 for tourism and marketing," authorizing the Philadelphia  
7 hospitality promotion tax; providing for apportionment of  
8 revenue; and making editorial changes.

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. Section 3 of the act of December 21, 1998  
12 (P.L.1307, No.174), known as the Community and Economic  
13 Improvement Act, is amended by adding a definition to read:  
14 Section 3. Definitions.

15 The following words and phrases when used in this act shall  
16 have the meanings given to them in this section unless the  
17 context clearly indicates otherwise:

18 \* \* \*

19 "Tourist promotion agency." An agency designated by the  
20 council of the city in which the Pennsylvania Convention Center

1 is located to be eligible for grants from the Department of  
2 Commerce pursuant to the act of April 28, 1961 (P.L.111, No.50),  
3 known as the Tourist Promotion Law.

4 Section 2. Sections 10 and 11 of the act are amended to  
5 read:

6 Section 10. Tourism and marketing tax.

7 In addition to the hotel room rental tax imposed under  
8 [section 23 of the act of June 27, 1986 (P.L.267, No.70), known  
9 as the Pennsylvania Convention Center Authority Act,] 64 Pa.C.S.  
10 Ch. 60 (relating to Pennsylvania Convention Center Authority)  
11 and under section 202 of the act of March 4, 1971 (P.L.6, No.2),  
12 known as the Tax Reform Code of 1971, the council of the city in  
13 which a convention center is located is hereby authorized to  
14 impose an excise tax on the consideration received by each  
15 operator of a hotel within the city from each transaction of  
16 renting a room or rooms to accommodate transients. The tax shall  
17 be collected by the operator from the patron of the room and  
18 paid over to the city pursuant to section 11 and shall be known  
19 as the tourism and marketing tax. The rate of tax imposed under  
20 this section by the council of the city in which the convention  
21 center is located shall not exceed 1%.

22 Section 11. Special tourism and marketing tax fund.

23 There shall be deposited annually in a special fund  
24 established pursuant to [section 23(e) of the act of June 27,  
25 1986 (P.L.267, No.70), known as the Pennsylvania Convention  
26 Center Authority Act,] 64 Pa.C.S. § 6025 (relating to hotel room  
27 rental tax; continuation of existing tax), for the use of the  
28 regional attractions marketing agency, all revenues received  
29 from the tax imposed under section 10. All expenditures from the  
30 special fund established under [section 23(e) of the

1 Pennsylvania Convention Center Authority Act] 64 Pa.C.S. § 6025  
2 shall be used by the regional attractions marketing agency for  
3 direct advertising efforts directed towards advertising and  
4 publicizing tourist attractions in the area served by the  
5 agency, promoting and attracting tourism to facilities in the  
6 area served by the agency and promoting and otherwise  
7 encouraging the use of the facilities in the area served by the  
8 agency by the public as a whole.

9 Section 3. The act is amended by adding sections to read:

10 Section 11.1. Philadelphia hospitality promotion tax.

11 In addition to the tourism and marketing tax imposed under  
12 section 10 and the hotel room rental taxes imposed under 64  
13 Pa.C.S. Ch. 60 (relating to Pennsylvania Convention Center  
14 Authority) and under section 202 of the act of March 4, 1971  
15 (P.L.6, No.2), known as the Tax Reform Code of 1971, the council  
16 of the city in which the Pennsylvania Convention Center is  
17 located is hereby authorized to impose an excise tax on the  
18 consideration received by each operator of a hotel within the  
19 city from each transaction of renting a room or rooms to  
20 accommodate transients. The tax shall be collected by the  
21 operator from the patron of the room and paid over to the city  
22 pursuant to section 11.2 and shall be known as the Philadelphia  
23 hospitality promotion tax. The rate of tax imposed under this  
24 section by the council of the city in which the Pennsylvania  
25 Convention Center is located shall not exceed ~~1%~~ 1.5%. <—

26 Section 11.2. Special Philadelphia hospitality promotion tax  
27 fund.

28 There shall be deposited annually in a special fund  
29 established pursuant to 64 Pa.C.S. § 6025 (relating to hotel  
30 room rental tax; continuation of existing tax) all revenues

1 received from the tax imposed under section 11.1 to be  
2 apportioned and used as follows: <—  
3 (1) Fifty percent of all such revenues REVENUES shall be <—  
4 distributed to the regional attractions marketing agency and  
5 used by it for direct advertising efforts directed towards  
6 advertising and publicizing tourist attractions in the area  
7 served by such agency, promoting and attracting tourism to  
8 facilities in the area served by the agency and promoting and  
9 otherwise encouraging the use of the facilities in the area  
10 served by such agency by the public as a whole.  
11 (2) Fifty percent of such revenues REVENUES shall be <—  
12 distributed to the tourist promotion agency and used by it to  
13 promote the use of the expanded Pennsylvania Convention  
14 Center and to promote the area served by the tourist  
15 promotion agency, INCLUDING in international markets. <—  
16 (3) REVENUES SHALL BE USED TO FURTHER SUPPORT THE <—  
17 EXPANDED PENNSYLVANIA CONVENTION CENTER.  
18 Section 4. This act shall take effect ~~in 60 days~~ <—  
19 IMMEDIATELY. <—